Cambridgeshire Pension Fund - Climate Action Plan

Calendar Year Quarter 1 2022

 Agree decarbonisation pathway and targets that align the beliefs and ambitions of the Investment Sub Committee (ISC). The ISC agreed target reductions in absolute carbon emissions of the Fund's listed equity holdings of at least: 23% from June 2021 baseline by 2024 57% from June 2021 baseline by 2030 	•
Communicate agreed targets and aspirations to investment managers	\checkmark
Instruct advisers to investigate high level approaches to climate aware passive equity investing	\checkmark
Publish Climate Action Plan	\checkmark

Quarter 2/3 2022

ISC receive training on strategic options to decarbonise the Pension	\checkmark
Fund's active equity portfolio, including setting targets for existing	
managers and considering sustainable and impact equity and/or UN	
Sustainable Development Goals (SDG) alignment	
ISC receive report on high level climate aware passive equity options	\checkmark

Quarter 3/4 2022

Receive implementable proposal on carbon aware passive equity portfolio	\checkmark
Prepare and publish reporting in line with the Task-Force on Climate- Related Financial Disclosures (TCFD) disclosure requirements for the 2021- 22 Fund annual report	✓

<u>2023</u>

Quarter 1 2023

Agree managers and portfolio structures for climate aware passive	\checkmark
investing	
Analysis of climate metrics as at 30/06/22	\checkmark

Quarter 2 2023

Review progress against targets and appropriateness of metrics.	\checkmark
Continue to engage with existing active equity managers around decarbonisation approaches - as required	\checkmark
Engage with private asset managers to improve carbon data provision for portfolios and increased ESG integration	
Implement carbon aware passive equity in Q2 2023	\checkmark
ISC consider proposals for impact investing in private markets - Infrastructure	\checkmark

Quarter 3 2023

Engage with ACCESS on sustainable/impact infrastructure managers	\checkmark
(based on Committee preferences following Q2 2022 discussion)	

Quarter 4 2023

Analysis of climate metrics as at 30/06/23	\checkmark
ISC consider proposals for sustainable/impact investing in listed equity as part of equity portfolio review	

<u>2024</u>

Quarter 1 2024

ISC consider proposals for including asset classes beyond listed equity in	
climate reporting and target setting	
Consider setting more granular targets across:	
- Sustainable/Climate solutions	
- Transition alignment	
- Stewardship	
ISC receive report on availability of data and approach on alternatives	
assets	
ISC consider proposals for sustainable/impact investing in private markets	
(Private equity/property)	
Review progress against targets and appropriateness of metrics	
Consider draft UK Stewardship Report ahead of submission to FRC	
ISC consider feasibility of including Scope 3 within emissions reduction	
reporting and targets	

Quarter 2 2024

Use insights and recommendations to shape discussions and support	
climate change reporting (TCFD) - awaiting outcomes of consultation	
Consider potential connections to biodiversity/natural capital	
Submit approved UK Stewardship Report to FRC	

Quarter 3 2024

Continuation of the work with active managers to implement carbon	
reduction measures and increase the sustainability of the portfolios they	
manage	